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Information on United Nations system technical cooperation expenditures, 2007

Summary

The present report on the financial aspects of the United Nations system technical cooperation provides a summary of expenditure incurred, and contributions received, for the 2007 fiscal year. The report focuses on the technical cooperation provided by UNDP, UNFPA, the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and other specialized agencies, funds and programmes.

For the purposes of this report, technical cooperation assistance is defined as the sum of field programme expenditure and the general management service charge for UNDP, but this may be excluded for other organizations such as WFP. The World Bank/International Development Association (IDA) is excluded from this definition of technical cooperation, as its contributions are viewed as free-standing grant-free assistance, aimed at expanding the 'software' aspects of development. The World Bank/IDA does, however, offer a category of assistance specifically geared to backstop its large-scale programmes and projects. A comprehensive breakdown is presented in table 23 of the document referred to in paragraph 26 of this report.

The analysis provided in this document is based on the data shown at the end of this report and contained in the addendum (DP/2008/40/Add.1).

Elements of a decision

The Executive Board may wish to take note of the present report.

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I. Highlights

1. The United Nations system identified the achievement of eight designated Millennium Development Goals to be a key focus for all organizations. In 2007, delivery of technical cooperation on the Goals, across the United Nations system (excluding the World Bank Group) and programme countries, was $13.0 billion. That figure represents a 6.5 per cent increase in the level of expenditure over the $12.2 billion spent during the previous year. The summary statistics on technical cooperation expenditure incurred, and contributions received, over the five-year period 2003-2007, present a historical perspective of multi-year trends.

2. Executing and specialized agencies reported an increase of 14 per cent in delivery, from $3.1 billion in 2006 to $3.5 billion in 2007. UNDP experienced a 4.5 per cent decrease in delivery, from $4.0 billion in 2006 to $3.9 billion in 2007. WFP reported an increase in technical assistance delivery of 3.3 per cent from $2.7 billion in 2006 to $2.8 billion in 2007. UNICEF reported an increase of 18.2 per cent, from $2.1 billion in 2006 to $2.4 billion in 2007. UNFPA reported an increase of 21.8 per cent, from $392.1 million in 2006 to $477.8 million in 2007. An analysis of the 5-year growth of technical cooperation delivered by the agencies, funds and programmes is shown in figures 1 and 2.

3. World Bank/IDA assistance to developing nations in 2007 amounted to $227.2 million. This represented an increase of 40 per cent due to an increase in allocation at the country level, over the 2006 figure of $162.3 million. Beginning in 1998, the World Bank/IDA took the decision to stop recording expenditures specifically for technical cooperation activities. Thereafter, summary data submitted represented a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects.

Figure 1. United Nations system overall technical cooperation expenditure - five year trend, 2003-2007

(in millions of dollars)

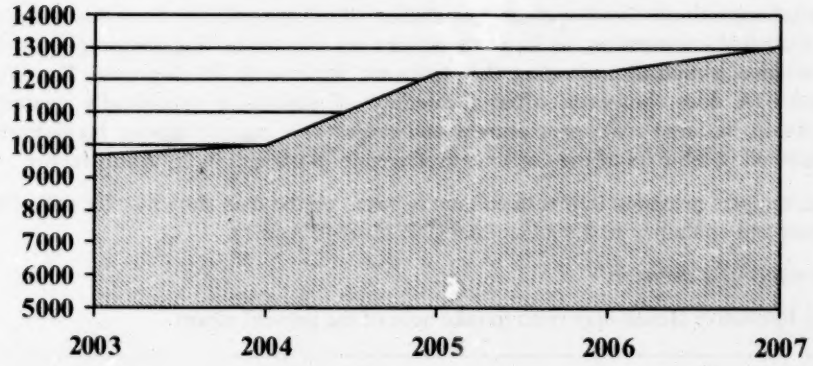
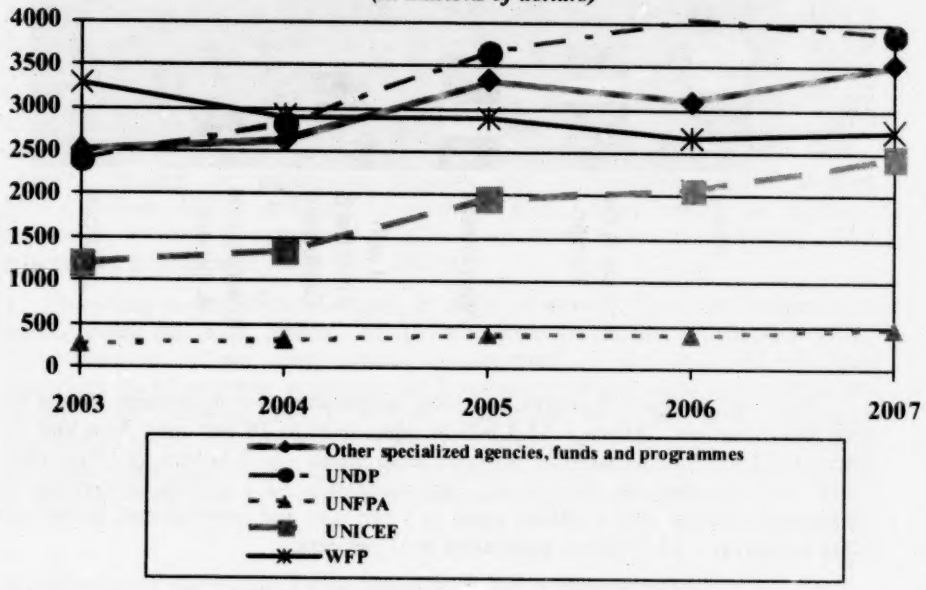


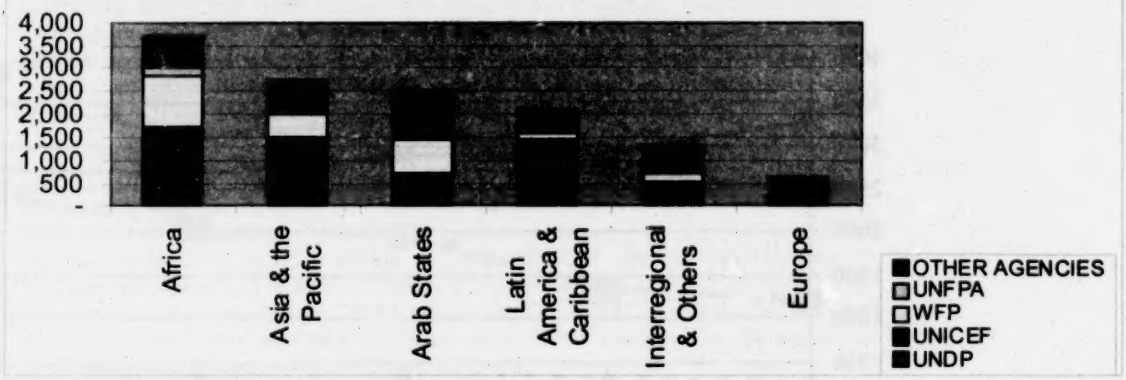
Figure 2. United Nations system technical cooperation expenditure, 2003-2007: by organization

(in millions of dollars)



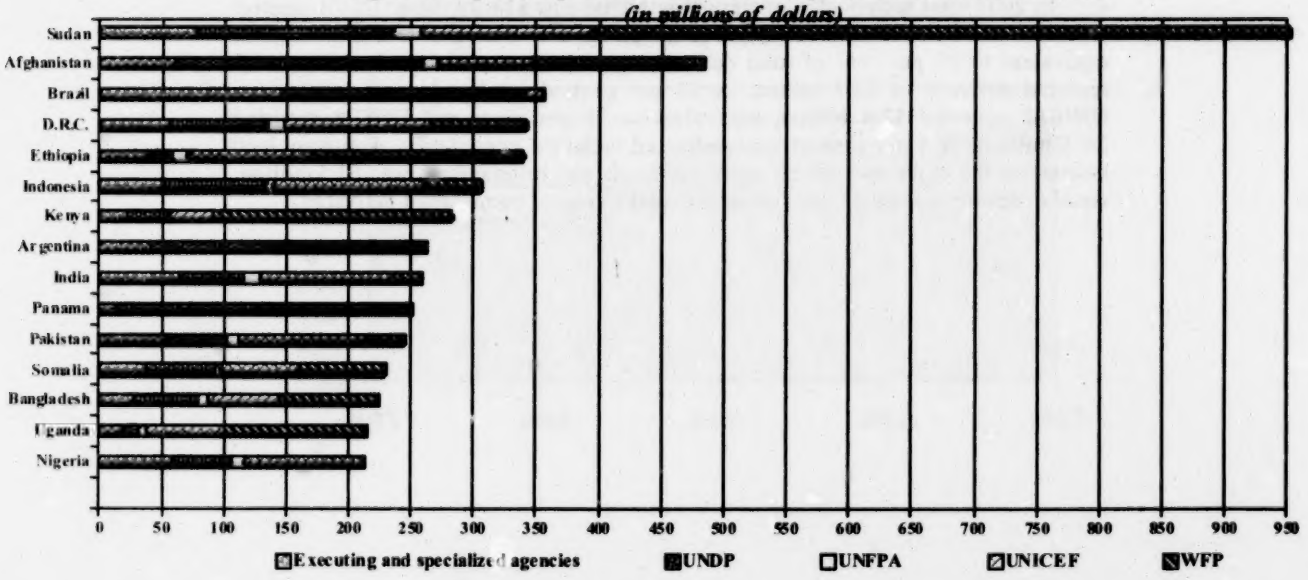
4. In 2007 total technical cooperation delivered was $13.0 billion. UNDP central resources and its administered funds accounted for $3.9 billion of total expenditure, equivalent to 29 per cent of total delivered technical cooperation. In 2007, WFP reported delivery of $2.7 billion, or 21 per cent of total technical cooperation. UNICEF reported $2.4 billion, equivalent to 19 per cent; and UNFPA reported $478 million, or 4 per cent of total delivered technical cooperation. The combined balance of the other specialized agencies, funds and programmes was $3.5 billion, equal to approximately 27 per cent of the total technical cooperation delivered.

Figure 3. United Nations system technical cooperation 2007: geographic breakdown
(in millions of dollars)



5. As shown in figure 3, above, technical cooperation was distributed among the five major regions: Africa – $3.7 billion equivalent to 28 per cent; Asia and the Pacific – $2.8 billion equal to 21 per cent; Arab States – $2.5 billion, or 19 per cent; Latin America and the Caribbean – approximately $2.1 billion, equivalent to 16 per cent; Europe – $0.6 billion, equal to 5 per cent; and interregional, global and other initiatives – $1.3 billion, equivalent to 11 per cent.

Figure 4. Top 15 recipients of United Nations system technical assistance, 2007
(in millions of dollars)



6. The top three recipients of the total technical cooperation delivered were Sudan, with a total of $982.7 million; Afghanistan, with $482.2 million; and Brazil, with $354.4 million. This amounts to $1.8 billion, or 14 per cent out of the total of $13.0 billion. The Democratic Republic of the Congo and Ethiopia were among the top five recipients, with $340.3 million and $337.9 million, respectively. Figure 4 shows the top 15 recipients of technical cooperation assistance in order of delivery by the United Nations system.

7. The United Nations specialized agencies, funds and programmes continued to facilitate development assistance in programme countries. In 2007, delivery of technical assistance to the United Nations system funds and programmes increased by 6.5 per cent over the 2006 level of $12.2 billion, to $13.0 billion. UNICEF spent $2.4 billion in pursuit of the enhancement of child services and programmes; WFP expended $2.7 billion on facilitating food aid; and in keeping with its mandate, UNFPA focused on population projects and programmes, which totalled $477.8 million. UNDP delivered a total of $3.9 billion dollars in technical assistance, which was composed of allocations from its central resources ($2.8 billion) and administered funds ($1.1 billion).

8. Spending among sectors ranged, in order of priority, from the humanitarian sector, receiving $3.2 billion, or 25 per cent; to health, at approximately $2.3 billion, or 18 per cent; general development, at just under $2.3 billion, equivalent to 17 per cent; education, $1.0 billion, or 8 per cent; and agriculture, forestry and fisheries, $647.0 million, equivalent to 5 per cent. Aggregate expenditure within those five sectors was $9.5 billion, or 73 per cent. The balance of the funds was spread among 15 sectors for approximately $3.5 billion, equivalent to 27 per cent of the total $13.0 billion in technical cooperation delivered.

II. Analysis of technical cooperation by organization

A. Other specialized agencies, funds and programmes

9. Expenditures funded from regular budgets rose from $380.3 million in 2006 to $470.8 million in 2007. This represents an increase of just under than 24 per cent. Additionally, expenditures funded from extra-budgetary sources other than UNDP, UNFPA, UNICEF and WFP increased from $2.7 billion in 2006 to $3.0 billion, representing a 13 per cent rise in delivery. Combined, the specialized agencies, funds and programmes reported increases in programme delivery of around 14 per cent.

10. At the country level, Sudan continued to account for the highest proportion of resources provided by United Nations specialized agencies, funds and programmes. Within this category, the total technical cooperation delivered was $76.9 million out of the available pool of $3.5 billion, equivalent to approximately 2 per cent. India and Guatemala followed, with expenditure amounting to $64.9 and $64.1 million, respectively. Iraq and Afghanistan accounted for a total of $123.5 million to complete the five top programme countries in receipt of $329.4, or 9 per cent of the total funding available.

11. In 2007, contributions received within the United Nations system to provide technical assistance through its specialized agencies, funds and programmes saw an overall increase, from $3.5 billion in 2006 to $4.1 billion in 2007, or an 18 per cent increase in net income. This was divided within the two major categories (bilateral and multilateral) for which contributions are reported. Contributions to the bilateral category rose from $2.3 billion to $3 billion, or 33 per cent, in 2007. Within this

category, countries/territories received a total of $2.2 billion, 30 per cent over the $1.7 billion received in 2006. Non-governmental organizations received $437 million, which is a 126 per cent increase compared to the $193.6 million received in 2006. However, unilateral self-supporting contributions accounted for $348.9 million – a 1 per cent decline when compared to the amount received in 2006 ($351 million).

12. In the multilateral category, resources declined 11.6 per cent in 2007, from $1.2 billion in 2006 to $1.0 billion in the current year. Within that category, receipts to the United Nations system amounted to $523.8 million, an increase of 80 per cent over that received in 2006 of $291.2 million. However, contributions to non-United Nations system measures dropped from $912.6 million in 2006 to $540.4 million, a decrease of 41 per cent.

B. United Nations Development Programme

13. UNDP supports national processes to accelerate the progress of human development with a view to eradicating poverty through development, equitable and sustained economic growth, and capacity development. This means that all UNDP policy advice, technical support, advocacy, and contributions to strengthening coherence in global development must be aimed at one end result: real improvements in people's lives and in the choices and opportunities open to them. UNDP has championed this integrative approach to human development since the 1990s, using the human development reports as important advocacy tools. Central to the human development approach is the concept of human empowerment, which, in addition to income, treats access to education and health care, freedom of expression, the rule of law, respect for diversity, protection from violence, and the preservation of the environment as essential dimensions of human development and well-being.

14. At the request of governments, UNDP seeks to strengthen national capacities in four areas of comparative advantage aligned with the values and objectives of the Millennium Declaration: poverty eradication and internationally agreed upon development goals, including the MDGs; democratic governance; crisis prevention and recovery; and environment and sustainable development.

15. UNDP programme delivery rose from $1.7 billion in 2003 to $2 billion in 2004, then to $2.5 billion in 2005 and $2.8 billion in 2006 and 2007. Expenditure from UNDP central and administered funds was $3.9 billion in 2007; this was a 4.5 per cent decrease from the amount expended in 2006 ($4 billion). Expenditure funded from regular resources increased by 1 per cent over the amount reported in 2006, rising from $532.6 million to $536.7 million. Third-party cost-sharing rose from $842.7 million in 2006 to $974.0 in 2007 – a 15.6 per cent increase.

16. Voluntary contributions rose from $916.3 million in 2006 to $1.1 billion in 2007, representing an increase of 21 per cent. An analysis of growth trends beginning in 2003 showed a consistent rise in contributions to UNDP, recorded as follows: 2003, $762.4 million; 2004, $833.4 million; and 2005, $914.5 million. Income received in 2007 was the largest recorded in the last five years.

C. World Food Programme

17. In 2007, WFP technical cooperation expenditure showed an increase from the amount recorded in 2006 of $2.7 billion to $2.8 billion, equivalent to 3.3 per cent. The five-year trend, 2003-2007, shows that WFP recorded technical cooperation expenditure of $3.3 billion, $2.9 billion, $2.9 billion, $2.7 billion and $2.8 billion.

18. WFP focused its resources on humanitarian assistance. In 2007 WFP expended $1.6 billion, or 60 per cent of its resources, in the humanitarian assistance sector. Within the Africa region, five countries accounted for $646.4 million, or 23 per cent of WFP expenditure, namely, Kenya, $190.3 million; Ethiopia, $168.9 million; Uganda, $113.1 million; Zimbabwe, $97.9 million; and the Democratic Republic of the Congo, $76.2 million. The Asia and the Pacific region was the next largest recipient, with Afghanistan receiving $133.7 million; Bangladesh, $79.4 million; Indonesia, $45 million; and Sri Lanka $43.0 million, followed by Thailand, with $39.7 million.

19. Voluntary contributions to WFP for the 2007 fiscal year were $2.8 billion, an increase of 4 per cent over the $2.7 billion received in 2006. Except for 2004, for which a $1.9 million decline in contributions was noted, WFP has shown consistent growth in funding, having received $2.5 billion in 2003, $2.6 billion in 2005, $2.7 billion in 2006 and $2.8 billion in 2007.

D. United Nations Children's Fund

20. UNICEF technical cooperation expenditure increased from $2.1 billion in 2006 to $2.4 billion in 2007, an increase of 18 per cent. An analysis of the five-year trend of UNICEF participation in technical cooperation expenditure showed a trajectory from $1.2 billion in 2003 to $2.4 billion in 2007. For greater detail, reference may be made to table 14 of document DP/2008/40/Add.1. UNICEF surpassed the $1 billion level in technical cooperation delivery for the fifth consecutive year. UNICEF directed $692.9 million of its resources to the humanitarian sector, followed by $640.3 million to the health sector and $529.8 million to general development issues. In 2007 those three sectors combined accounted for $1.9 billion, or 76 per cent of funds expended on UNICEF activities.

21. In 2007, technical cooperation provided to the African region amounted to $1.0 billion, equivalent to 41 per cent of the total UNICEF delivery. The five major recipient countries were: Democratic Republic of the Congo, $115.8 million; Ethiopia, $98.1 million; Nigeria, $94.7 million; Uganda, $61.7 million; and Angola, 51.7 million. The Asia and the Pacific region followed, with $686.2 million, or 28 per cent of total technical cooperation delivered. The five highest recipient countries within that region were: Indonesia, $119.8 million; India, $107.1 million; Pakistan, $101.6 million; Afghanistan, $78.3 million; and Bangladesh, $56.4 million. Those two regions combined received $1.7 billion, or 69 per cent of overall assistance.

22. The five year trend in voluntary contributions directed to UNICEF was as follows: 2003, $1.1 billion; 2004, $1.5 billion; 2005, $2.5 billion; and 2006, $2.7 billion, the highest level being recorded in 2007 – $2.9 billion. For the 2007 fiscal year, the increase in contributions to UNICEF was 11 per cent over the amount received in the prior year.

E. United Nations Population Fund

23. UNFPA technical cooperation expenditure in support of its mission increased from $392.1 million in 2006 to $477.8 million in 2007, an increase of 22 per cent.

24. That significant rise in programme delivery was shared among the five regions with the African and Asia and the Pacific region receiving $129.4 million and $79.8 million respectively, amounting to $209.2 million – 44 per cent of the total

technical cooperation delivered. The five top recipient countries, in order of expenditure, were: Mozambique, with $27.0 million; Sudan, with $21.6 million; the Democratic Republic of the Congo, with $13.9 million; India, with $13.5 million; and Peru, with $12.8 million.

25. For the 2007 fiscal year, UNFPA received a total of $673.9 million in voluntary contributions, an increase of 27 per cent over the $529.1 million received the previous year. For the five-year period beginning in 2003, voluntary contributions to UNFPA were: $334.6 million in 2003, $406.6 million in 2004, $483.8 million in 2005, $529.1 million in 2006, and $673.9 million in 2007.

F. The World Bank/International Development Association

26. The World Bank group resumed reporting in 2006. In place of specifically targeted expenditures for technical cooperation activities, the World Bank group uses a combination of loans and grants related to assistance preceding, or combined with, large-scale programmes and projects. Funding for these activities is often provided through: (a) learning and innovation loans; (b) technical assistance loans; (c) institutional development funds; and (d) the development grant facility. For a further breakdown of the World Bank group allocation of resources, reference may be made to table 23 of document DP/2008/40/Add.1.

27. The World Bank group reported total expenditure of $227.2 million, which is a 40 per cent increase over the $162.3 million reported in the prior year. The Bank issued resources in the amount of $96.4 million during 2007 as compared to $90.8 million in 2006 – an increase of 6 per cent. In 2007, IDA resources were $130.8 million compared to $71.5 million expended in 2006 – an increase of 83 per cent.

United Nations system: summary statistics on technical cooperation expenditure and contributions, 2003-2007

(in millions of dollars)

Executing and specialized agencies	2 510.3	.1.5	2 623.1	4.5	3 322.8	26.7	3 086.9	(7.1)	3 518.9	14.0
Regular budgets	518.2	8.1	496.8	(4.1)	597.0	20.2	380.3	(36.3)	4 70.8	23.8
Extrabudgetary	1 992.1	12.4	2 126.3	6.7	2 725.8	28.2	2 706.7	(0.7)	3 048.1	12.6
UNDP	2 401.6	12.3	2 816.7	17.3	3 652.9	29.7	4 040.7	10.6	3 860.4	(4.5)
Total programme	1 737.0	16.3	2 017.2	16.1	2 535.1	25.7	2 798.4	10.4	2 797.3	(0.04)
Regular	398.0	11.6	421.0	17.8	490.3	16.5	532.6	8.6	536.7	0.8
Government cost-sharing + GCCC	1 034.9	19.9	1 081.7	0.3	1 186.2	9.7	1 423.0	20.0	1 286.6	(9.6)
Third-party cost-sharing	304.0	11.4	514.5	67.9	858.6	66.9	842.7	(1.85)	974.0	15.6
Funds and administered trust funds	664.6	3.0	799.6	20.3	1 117.8	39.8	1 242.3	11.1	1 063.2	(14.4)
UNFPA	272.9	(12.7)	317.6	16.4	388.0	22.1	392.1	1.1	477.8	21.8
UNICEF	1 208.0	15.7	1 343.6	11.2	1 960.4	45.9	2 070.3	5.6	2 446.5	18.2
WFP	3 275.3	105.7	2 899.6	(11.5)	2 892.4	(0.2)	2 665.0	(7.9)	2 753.3	3.3
World Bank Group b/	374.5	-	271.6	(27.5)	336.6	23.9	162.3	(51.8)	227 .2	40.0
World Bank	156.1	-	42.5	(72.8)	70.0	64.7	90.8	29.7	96.4	6.2
IDA	218.4	-	229.1	4.9	266.5	16.4	71.5	(73.2)	130.8	82.9
Other sources	-	-	-	-	-	-	-	-	-	-
Total (expenditures) excluding the World Bank Group	9 668.1	31.7	10 000.6	3.4	12 216.6	22.2	12 255.1	0.3	13 057.0	6.5
Agencies – Extrabudgetary	2 577.2	32.0	2 575.7	(0.1)	3 574.5	24.1	3482.2	(2.6)	4 097.9	17.7
Total bilateral	1 806.4	31.3	2 038.9	12.9	2 841.1	37.4	2278.4	(19.8)	3 033.7	33.1
Countries/territories	1 384.0	28.7	1 567.1	13.2	2 354.7	50.3	1 733.8	(26.4)	2 247.8	30.0
NGOs	188.7	90.0	207.8	10.1	167.2	(38.9)	193.6	15.8	437.0	126.0
Unilateral self-supporting (T10)	233.7	16.2	264.0	13.0	319.2	20.9	351.0	10.0	348.9	(0.8)
Total multilateral	770.8	33.7	536.8	(30.4)	733.4	(26.5)	1 203.8	64.1	1 064.2	(11.6)
United Nations system	549.4	33.5	278.1	(49.4)	357.5	(37.8)	291.2	(18.6)	523.8	80.0
Non-United Nations system	221.4	34.2	258.7	16.8	375.9	(14.3)	912.6	142.8	540 .4	(41.0)
UNDP (Voluntary)	762.4	15.0	833.4	9.3	914.5	8.4	916.3	0.2	1 108.2	20.9
UNFPA (Voluntary)	334.6	7.2	406.6	21.5	483.8	19.0	529.1	9.4	673.9	27.4
UNICEF (Voluntary)	1 099.8	24.3	1 460.8	32.8	2 540.5	73.9	2 652.4	4.4	2 945.1	11.0
WFP (Voluntary)	2 471.2	52.4	1 898.7	(23.2)	2 572.6	35.5	2 741.0	6.5	2 847.3	3.9

a/ Represents percentage increase/decrease from previous year.

b/ After a two-year lapse, the World Bank submitted 2003 data.

Note: Contribution data refer to regular resources from contributions by Member States. Voluntary contributions comprise only one element of total income. In the case of UNDP, the elements other than this are: cost-sharing; funds and trust funds; government cash counterpart contributions; contributions to local office costs; extra-budgetary activities; and management. In the case of UNICEF, other elements of income include various private sources, inter-organizational arrangements and miscellaneous.